

**State of Rhode Island Office of the Health Insurance Commissioner
Health Insurance Advisory Council
Meeting Minutes
September 18, 2012, 4:30 P.M. to 6:00 P.M.
State of Rhode Island Department of Labor and Training
1511 Pontiac Avenue, Building 73-1
Cranston, RI 02920-4407**

Attendance

Members

William Martin (Co-Chair), Christopher Koller (Co-Chair), Hub Brennan, Howard Dulude, Karen Fifer Ferry, Al Kurose, Linda Lulli, Pat Mattingly, Tim Melia, Phil Papoojian, Peter Quattromani, Ed Quinlan, Bill Schmiedeknecht

Issuers

Lauren Conway, Edward Hanley, Craig O'Connor, Brian O'Malley, Patrick Ross

State of Rhode Island Office of the Health Insurance Commissioner Staff

Herb Olson, Kim Paull, Patrick Tigue, Maria Casale

Not in Attendance

Gregory Allen, Herb Gray, Jack Spears, Jeffrey Swallow

Minutes

1. Introduction and Welcome

Mr. Martin and Commissioner Koller called the meeting to order and welcomed all Health Insurance Advisory Council (HIAC) members and others in attendance.

2. Review of Minutes

The minutes from the June 19, 2012 HIAC meeting were reviewed and approved with one change (removing Mr. Martin from the list of those members in attendance).

3. Office Updates

Commissioner Koller updated the council as follows. First, he confirmed the current OHIC staffing as: Herb Olsen (Executive Counsel), Kim Paull (Director of Analytics), Patrick Tigue (Principal Policy Associate), Maria Casale (Special Projects Coordinator), Lori Mello (Program

Manager, in a joint position with OHIC and the State of Rhode Island Health Benefits Exchange or RIHBE), and Nicole Renzulli (Administrative Officer).

Second, Commissioner Koller described OHIC's work over the summer, which focused on OHIC's support of RIHBE. He also announced the hiring of Director Christine Ferguson to lead RIHBE.

4. New Business

Next, the council proceeded to take up several pieces of new business.

- **Commercial Health Insurance Premium Trends Presentation:** Ms. Paull presented on the drivers of commercial health insurance premium trends. She emphasized that: (1) spending on hospital services is growing quickly for both small and large employers, (2) administrative costs are still high but have fallen recently, and (3) we are likely to see higher medical expense trend and higher requested premium increases in the future, underscoring the need for continued oversight and further action by policy makers. The council expressed appreciation for the data presented.
- **HIAC's 2012 to 2013 Proposed Goals and Activities Review:** Commissioner Koller explained that the goals and activities for HIAC for 2012 to 2013 will be focused around OHIC's Affordability Standards and reviewed these goals and activities with the council in detail. The council expressed support for these goals and activities.
- **Small and Large Group Approved Rate Factors Monitoring Discussion:** Commissioner Koller explained that the OHIC would be instituting a small and large group approved rate factors monitoring process to ensure the highest level of compliance on the part of the insurers with OHIC's approved rate factors. He noted that monitoring will be administered quarterly and that the results of this process would be shared with HIAC throughout 2012 and 2013. The council expressed support for the process but several members also expressed significant concern when Commissioner Koller noted that this work would likely be done in lieu of further work on a medical expense trend target in the short-term. In response, Commissioner Koller acknowledged the need to give serious thought to the council's concerns on this matter and expressed his willingness to remain open to further conversations concerning a medical expense trend target.

The council then continued with the meeting.

5. Other Business

- **2012 Health Insurance Premium Rate Review Final Decision Public Event:** Commissioner Koller announced that at 10:30 A.M. on September 20, 2012 at EpiVax, Inc. in Providence, Rhode Island, Governor Chafee, Lieutenant Governor Roberts, and he were to speak at a public event announcing his final decision in the 2012 health insurance premium rate review process. He invited all council members to attend.

- **Public Comments:** Public comments were then solicited by the council. None were offered.

6. Next Meeting

Mr. Martin closed by noting that the council's next meeting will take place on October 16, 2012 from 4:30 P.M. to 6:00 P.M. at the State of Rhode Island Department of Labor and Training, located at 1511 Pontiac Avenue, Building 73-1 in Cranston. He thanked everyone for their attendance and the meeting was then adjourned by Mr. Martin and Commissioner Koller.